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LOS ANGELES  
SUPERIOR COURT

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REGIONAL PARK AND OPEN SPACE DISTRICT;  
6 COUNTY OF LOS ANGELES; LOS ANGELES  
COUNTY BOARD OF SUPERVISORS

7  
8 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF LOS ANGELES, CENTRAL DISTRICT

9 MOUNTAINS RECREATION AND  
CONSERVATION AUTHORITY,

10  
11 Petitioner/Plaintiff,

12 v.

13 CITY OF WHITTIER, et al.,

14 Respondents/Defendants.

15 MATRIX OIL CORPORATION, et al.,

16 Real-Parties-in-Interest.

17 LOS ANGELES COUNTY REGIONAL  
PARK AND OPEN SPACE DISTRICT;  
18 COUNTY OF LOS ANGELES;  
19 LOS ANGELES COUNTY BOARD OF  
SUPERVISORS,

20 Cross-Complainants/Petitioners,

21 v.

22 CITY OF WHITTIER; CITY COUNCIL OF  
THE CITY OF WHITTIER, and DOES 1-25,

23 Cross-Defendants/Respondents,

24 MATRIX OIL CORPORATION; CLAYTON  
WILLIAMS ENERGY, INC; PUENTE  
25 HILLS HABITAT PRESERVATION  
AUTHORITY; SANTA MONICA  
26 MOUNTAINS CONSERVANCY;  
27 CHEVRON U.S.A. INC, and ROES 1-25,

28 Cross-Real-Parties-in-Interest.

CASE NO. BS136211

[Related Cases BS128995; BS135187; and  
BS138796]

CROSS-COMPLAINT AND PETITION  
FOR WRIT OF MANDATE OF THE  
LOS ANGELES COUNTY REGIONAL  
PARK AND OPEN SPACE DISTRICT,  
COUNTY OF LOS ANGELES, AND  
LOS ANGELES COUNTY BOARD OF  
SUPERVISORS

1. Violation of County Proposition A and the Public Trust Doctrine
2. Breach of Contract and Specific Performance
3. Violation of the California Environmental Quality Act (CEQA)
4. Declaratory Relief and Injunctive Relief

Assigned for all purposes to the Honorable  
Ann I. Jones, Department 86

1 Cross-Complainants/Petitioners and Respondents/Defendants Los Angeles County  
2 Regional Park and Open Space District ("District"), County of Los Angeles ("County"), and  
3 Los Angeles County Board of Supervisors ("Board of Supervisors") (collectively "County Cross-  
4 Complainants") allege as follows:

## 5 INTRODUCTION

6 1. The County Cross-Complainants seek by this action to require Cross-  
7 Defendants/Respondents the City of Whittier and the Whittier City Council (collectively  
8 "Whittier") to comply with the requirements of Los Angeles County Proposition A, Safe  
9 Neighborhood Parks, Gang Prevention, Tree-Planting, Senior and Youth Recreation, Beaches and  
10 Wildlife Protection ("Proposition A") enacted by County voters in 1992, and to comply with the  
11 terms of a Project Agreement between the District and Whittier ("Project Agreement"), pursuant to  
12 which Whittier received Proposition A funds to acquire and to preserve natural lands and open  
13 space in the Whittier Hills. Whittier used Proposition A taxpayer-funded bonds and assessments,  
14 including Proposition A funds allocated to the Santa Monica Mountains Conservancy, to acquire  
15 approximately 1,280 acres of open space in the Whittier Hills (the "Whittier Hills Property").  
16 Without the District's prior approval, Whittier has taken a series of actions in violation of  
17 Proposition A and the Project Agreement in furtherance of a private oil and gas exploration,  
18 drilling, and production project (the "Oil Drilling Project") on the Whittier Hills Property. The Oil  
19 Drilling Project is fundamentally inconsistent with, and in violation of, Proposition A. Whittier's  
20 approvals of the Oil Drilling Project should be voided. Alternatively, Whittier should be ordered  
21 to comply with Proposition A and the Project Agreement before taking any further action on the  
22 Oil Drilling Project. Whittier has also violated the California Environmental Quality Act  
23 ("CEQA") by amending the Lease for the Oil Drilling Project and seeking to eliminate the  
24 requirement that Whittier obtain the District's prior consent as required by Proposition A and the  
25 Project Agreement. Actions taken by Whittier demonstrate that it is seeking to gain a  
26 disproportionate financial windfall from the Oil Drilling Project in violation of Proposition A, the  
27 Project Agreement, and the Public Trust Doctrine to the detriment of all County taxpayers who are  
28 paying the assessment that enabled Whittier to acquire the Whittier Hills Property.

PARTIES

2. Cross-Complainant/Petitioner County is and was at all times herein mentioned a political subdivision of the State of California and a charter county organized and existing under the constitution and laws of the State of California.

3. Cross-Complainant/Petitioner District was created as a result of County voters passing Proposition A, with a 64% yes vote, in 1992. Proposition A puts the District in charge of administering Proposition A and the funds generated and distributed pursuant to it.

4. Cross-Complainant/Petitioner Los Angeles County Board of Supervisors ("Board of Supervisors") is, and at all relevant times herein was, the legislative body charged with the formation of the District pursuant to Proposition A. Proposition A vests all powers and authority of the District in the Board of Supervisors in its capacity as the governing body of the District.

5. Cross-Defendant/Respondent City of Whittier is, and at all relevant times herein was, a California Charter City located in the County of Los Angeles.

6. Cross-Defendant/Respondent City Council of Whittier is, and at all relevant times herein was, the legislative body, the governing board, and the highest administrative body of the City of Whittier. The City of Whittier and the City Council of Whittier shall collectively be referred to herein as "Whittier."

7. Real Party in Interest Matrix Oil Corporation ("Matrix") is, and at all relevant times herein was, a private, for profit, oil and natural gas production California corporation doing business in the State of California, County of Los Angeles.

8. Real Party in Interest Clayton Williams Energy, Inc. ("CWEI") is, and at all relevant times herein was, a Delaware Corporation doing business in the State of California, County of Los Angeles.

9. Real Party in Interest Puente Hills Habitat Preservation Authority ("Habitat Authority") is, and at all relevant times herein was, a public agency joint powers authority with a membership consisting of the City of Whittier, the County of Los Angeles, and the Los Angeles County Sanitation District No. 2, and participation by a representative of the Hacienda Heights Improvement Association. The Habitat Authority manages wilderness land in the hills for the City

1 of Whittier.

2 10. Real Party in Interest the Santa Monica Mountains Conservancy (the  
3 "Conservancy") is a political subdivision of the State of California that supports the acquisition  
4 and preservation of public open space and the protection of natural resources. The Conservancy is  
5 one of the members of the Mountains Recreation and Conservation Authority ("MRCA"), a joint  
6 powers authority of the State of California.

7 11. Real Party in Interest Chevron U.S.A. INC. ("Chevron") is, and at all relevant times  
8 herein was, a Pennsylvania corporation doing business in the State of California, County of Los  
9 Angeles.

10 12. The true names and capacities of Cross-Respondents/Defendants DOES 1 through  
11 25, inclusive, are presently unknown to Cross-Complainants, and are therefore sued under such  
12 fictitious names. County Cross-Complainants are informed and believe, and based thereon allege  
13 that Cross-Respondents/Defendants DOES 1 through 25 participated in the acts and conduct  
14 which are the subject of this petition and complaint. County Cross-Complainants will amend this  
15 Cross-Complaint to show the true names and capacities of such fictitious Cross-  
16 Respondents/Defendants DOES when the same have been ascertained.

17 13. The true names and capacities of Cross-Real Parties in Interest ROES 1 through 25,  
18 inclusive, are presently unknown to County Cross-Complainants and therefore are sued herein  
19 under such fictitious names. County Cross-Complainants will amend this Cross-Complaint to  
20 show the true names and capacities of such fictitious ROES when the same have been ascertained.

#### 21 GENERAL ALLEGATIONS

22 14. On November 3, 1992, Los Angeles County voters approved Proposition A which  
23 authorized an annual assessment on nearly all of the 2.25 million parcels of real property in the  
24 County. Pursuant to Proposition A, the County also issued bonds, to be repaid by taxpayers,  
25 enabling Proposition A to provide over \$500 million for the acquisition, restoration, or  
26 rehabilitation of real property for parks and park safety, senior recreation facilities, gang  
27 prevention, beaches, recreation, community or cultural facilities, trails, wildlife habitats, or natural  
28 lands, and maintenance and servicing of those projects.

1           15.     Proposition A created the District to administer Proposition A and its funding and  
2 provides that the Board of Supervisors shall act as the governing body of the District. Proposition  
3 A further provides that the District shall take all actions necessary and desirable to carry out the  
4 purposes of Proposition A.

5           16.     Proposition A, section 8(b)(2) provides \$204,850,000 in funding to the District for  
6 grants to public agencies for the acquisition, development, improvement, rehabilitation, or  
7 restoration of real property for parks and park safety, senior recreation facilities, beaches,  
8 recreation, wildlife habitat or natural lands in accordance with a list of projects that includes  
9 subsection QQ allocating \$9,300,000 to the City of Whittier for the acquisition of natural lands  
10 and development of related facilities in the Whittier Hills.

11           17.     Proposition A requires a recipient of Proposition A section 8(b)(2) funds to  
12 maintain and operate in perpetuity the property acquired, developed, improved, rehabilitated, or  
13 restored with the funds.

14           18.     Proposition A section 16 provides:

15           (a)     No funds authorized under Section 8 may be disbursed to any recipient  
16 unless the recipient agrees:

17                   (1)     To maintain and operate in perpetuity the property acquired,  
18 developed, improved, rehabilitated or restored with the funds. With  
19 the approval of the granting agency, the recipient or its successors in  
20 interest in the property may transfer the responsibility to maintain  
21 and operate the property in accordance with this Section.

22                   (2)     To use the property only for the purposes of this order and to  
23 make no other use, sale, or disposition of the property, except as  
24 provided in subdivision (b) of this Section 16.

25                   (3)     Any beach, park or other public facility acquired, developed,  
26 rehabilitated or restored with funds from this act shall be open and  
27 accessible to the public without discrimination as to race, color, sex,  
28 sexual orientation, age, religions belief, national origin, marital  
status, physical or medical handicap, medical condition or place of  
residence, to the extent consistent with the provisions of subdivision  
(a) of Section 18.

(4)     In order to maintain the exclusion from gross income for  
federal income tax purposes of the interest on any bonds, notes or  
other evidences of indebtedness issued for purposes of this order,  
each recipient of funds pursuant to this order covenants to comply  
with each applicable requirement of Section 103 and Sections 141  
through 150 of the Internal Revenue Code of 1986, as amended.

1 Each recipient of funds disbursed pursuant to Section 8 shall agree  
2 in writing to the conditions specified in paragraphs (1), (2), (3) and  
(4) of this Section 16 (a).

3 The conditions specified in paragraphs (1), (2), (3) and (4) of this section shall not  
4 prevent the transfer of property acquired, developed, improved, rehabilitated or  
5 restored with funds authorized pursuant to Section 8 of this order from the recipient  
6 to another Public Agency, to a Nonprofit Organization authorized to acquire,  
develop, improve or restore real property for park, wildlife, recreation, open space  
or gang prevention and intervention purposes, or to the National Park Service,  
provided that any such successor to the recipient assumes the obligations imposed  
by such conditions.

7  
8 (b) If the use of the property acquired through grants pursuant to this order is  
changed to one other than a use permitted under the category from which the funds  
9 were provided, or the property is sold or otherwise disposed of, an amount equal to  
the (1) amount of the grant, (2) the fair market value of the real property, or (3) the  
10 proceeds from the portion of such property acquired, developed, improved,  
rehabilitated or restored with the grant, whichever is greater, shall be used by the  
11 recipient, subject to subdivision a of this Section, for a purpose authorized in that  
category or shall be reimbursed to the Parks Fund and be available for  
appropriation only for a use authorized in that category.

12  
13 If the property sold or otherwise disposed of is less than the entire interest in the  
property originally acquired, developed, improved, rehabilitated or restored with  
14 the grant, an amount equal to the proceeds or the fair market value of the property  
interest sold or otherwise disposed of, whichever is greater, shall be used by the  
15 grantee, subject to subdivision (a) of this Section, for a purpose authorized in that  
category or shall be reimbursed to the Parks Fund and be available for  
16 appropriation only for a use authorized in that category. Nothing in this Section 16  
shall limit a Public Agency from transferring property acquired pursuant to this  
17 order to the National Park Service or the State Park System, with or without  
consideration.

18 19. Proposition A requires applicants for all projects listed in section 8(b)(2) to submit  
19 an application to the District for prior approval in order to receive funding for their project.

20 20. On July 6, 1993, Whittier adopted Resolution No. 6416 approving the filing of an  
21 application with the District for funds under section 8(b)(2) QQ of Proposition A, which stated  
22 that Whittier certifies that it "understands the assurances and certifications in the application  
23 form[.]" The assurances in the Proposition A application state that an applicant will "use the  
24 property only for the purposes of the Proposition and will make no other use, sale, or other  
25 disposition of the property except as authorized by specific act of the Board of Supervisors as the  
26 governing body of the District."

27 21. Whittier's Proposition A funding application described the project to be funded as  
28 the acquisition of land that includes acreage designated Significant Ecological Areas by the

1 County and the preservation of portions of the last remaining chaparral, native oak woodlands and  
2 coastal scrub ecosystem within eastern Los Angeles County that includes numerous native plant  
3 and animal life.

4 22. Whittier and the District entered into a Project Agreement for Grant No. 58L1-94-  
5 0034 governing the award of Proposition A grant funds to Whittier pursuant to section 8(b)(2) QQ  
6 of Proposition A that was signed by the mayor of Whittier in November 1994.

7 23. The Project Agreement contained the following terms and requirements agreed to  
8 in writing by Whittier:

9 a. Whittier agrees to perform all aspects of the Project in accordance with the  
10 terms of this Agreement (Special Provisions, B);

11 b. Any modification or alteration in the Project, as set forth in the Application  
12 on file with the District, must be submitted in writing to the District for prior approval. No  
13 modification shall be effective until and unless the modification is executed by both Applicant and  
14 District. (Project Execution, B.10);

15 c. Whittier agrees that any gross income from non-recreational uses of a  
16 Project shall be used for recreational development, additional acquisition, operation, or  
17 maintenance at the Project site, unless the District approves otherwise in writing. (Project  
18 Administration, D.4);

19 d. Whittier agrees to submit for prior District review and approval any and all  
20 existing or proposed operating agreements, leases, concession agreements, management contracts,  
21 or similar arrangements with non-governmental entities, and any existing or proposed  
22 amendments or modifications thereto, as they relate to the Project or the Project site. (Project  
23 Administration, D.5);

24 e. In order to maintain the exclusion from gross income for federal income tax  
25 purposes of the interest on the taxpayer-funded bonds issued to raise the funds for Proposition A,  
26 Whittier covenants to comply with each applicable requirement of the Internal Revenue Code and  
27 agrees that it will not, without the prior written consent of the District, permit the use of any  
28 portion of the Project by any private person or entity, other than on such terms as may apply to the

1 public generally or enter into any contract with a private entity for the management or operation of  
2 the Project or any portion thereof. (Project Administration, D.9);

3 f. Whittier agrees to use the property acquired or developed with grant monies  
4 under this Agreement only for the purpose for which it requested District grant monies and will  
5 not permit any other use of the area, except as allowed by specific act of the Board of Supervisors  
6 as the governing body of the District. (Uses of Facilities, J.1);

7 g. Whittier agrees to maintain and operate in perpetuity the property acquired,  
8 developed, rehabilitated or restored with grant monies, subject to the provisions of the Proposition.  
9 (Uses of Facilities, J.2);

10 h. If Whittier sells or otherwise disposes of property acquired or developed  
11 with grant monies provided under this Agreement, Whittier shall reimburse the District in an  
12 amount equal to the greater of (1) amount of the grant monies provided under this Agreement,  
13 (2) the fair market value of the real property, or (3) the proceeds from the portion of the property  
14 acquired, developed, improved, rehabilitated or restored with grant monies;

15 i. If the property sold or otherwise disposed of is less than the entire interest  
16 in the property originally acquired, developed, improved, rehabilitated or restored with the grant  
17 monies, then Whittier shall reimburse the District an amount equal to the greater of: 1) an amount  
18 equal to the proceeds, or 2) the fair market value. (Project Administration, D.10);

19 j. Whittier agrees to maintain satisfactory financial accounts, documents and  
20 records for the Project and to make them available to the District for auditing at reasonable times.  
21 (Financial Records, I.1.);

22 k. Whittier's full compliance with the terms of the Agreement will have  
23 significant benefits to the District and to the property and quality of life of those living in the  
24 County and said benefits exceed, to an immeasurable and un-ascertainable extent, the amount of  
25 grant monies that the District furnishes under this Agreement. Whittier agrees that payment to the  
26 District of an amount equal to the amount of grant monies disbursed under this Agreement would  
27 be inadequate compensation to the District for any breach by Whittier of this Agreement. Whittier  
28 further agrees that the appropriate remedy in the event Whittier breaches this Agreement shall be



1 specific performance unless otherwise agreed to by the District. (Project Termination, E, 4.);

2 l. Whittier's application is incorporated into the Agreement; and

3 m. No provision of this Agreement, or the application thereof, is waived by the  
4 failure of the District to enforce said provisions or application thereof. (Severability, M).

5 24. The District, through its governing body the Board of Supervisors, has adopted a  
6 Procedural Guide for the Specified Project, the Per Parcel Discretionary, and the Excess Funds  
7 Grant Programs established by Proposition A (hereinafter the "Procedural Guide"). The Project  
8 Agreement signed by Whittier specifically incorporates the requirements of the Procedural Guide,  
9 including subsequent changes or additions thereto, into the Project Agreement. Whittier is legally  
10 obligated to comply with the requirements of the Procedural Guide.

11 25. The Procedural Guide provides that Whittier must maintain and operate the  
12 Proposition A-funded property in perpetuity and cannot change its use or ownership without the  
13 prior written consent of the District. The Procedural Guide further requires the District's prior  
14 approval for any proposed operating agreement, lease, or similar arrangement with a non-  
15 governmental entity that relates to the project or project site. The Procedural Guide requires prior  
16 District approval of all non-governmental use, operations, management, or other activity on the  
17 site.

18 26. Proposition A, section 8(c)(6) allocated \$40,000,000 to the Conservancy for the  
19 acquisition of park and open space land, development of related recreational facilities, including  
20 recreational facilities for senior citizens, including not less than \$7,000,000 to be expended in the  
21 Whittier Hills. In 1994, the Conservancy applied to the District to obtain Proposition A funds  
22 pursuant to Section 8(c)(6) and entered into a project agreement with the District (the  
23 "District/Conservancy Project Agreement"). The District/Conservancy Project Agreement  
24 contains terms essentially identical to those in the Project Agreement.

25 27. The Conservancy granted its \$7,000,000 Proposition A allocation in Section 8(c)(6)  
26 to the MRCA, in a transaction that would allow Whittier to purchase approximately 960 acres in  
27 the Whittier Hills from the Trust for Public Lands ("TPL"), which had previously been acquired  
28 by TPL from Chevron, to be preserved and held as open space for habitat conservation and

1 recreation (hereinafter the "960 Acres of Open Space"). A Declaration and Easement of  
2 Restricted Use was recorded upon the 960 Acres of Open Space by TPL and Chevron on  
3 December 26, 1995 in the Recorder's Office, Los Angeles County, document number 95 2043168  
4 (the "TPL Declaration/Easement"). The TPL Declaration/Easement was intended to "preserve,  
5 enhance, and protect in perpetuity the conservation values of" the 960 Acres of Open Space "for  
6 the benefit of this generation and the generations to come."

7         28. The 960 Acres of Open Space was acquired by Whittier through a series of  
8 transactions and agreements between Chevron, TPL, MRCA, and Whittier and was specifically  
9 intended to be preserved in perpetuity in a natural, undeveloped open space condition as reflected  
10 in TPL Declaration/Easement, an agreement between MRCA and Whittier, the  
11 District/Conservancy Project Agreement, and the requirements of Proposition A.

12         29. Other portions of the Whittier Hills Property were acquired by Whittier from TPL  
13 that had previously been owned by Union Oil Company of California, doing business as Unocal  
14 ("Unocal"). On June 10, 1996, Unocal and Whittier recorded a Declaration of Restricted Use in  
15 the Los Angeles County Recorder's Office, document number 96 909633 ("Unocal Declaration of  
16 Restricted Use"), which specifically states that Whittier "intends to restrict the use of the property  
17 in perpetuity exclusively for public open space and recreational purposes so as to benefit this  
18 generation and future generations to come." The purpose of the Unocal Declaration of Restricted  
19 Use is to "restrict use" of the property "in perpetuity exclusively for public open space and  
20 recreational purposes" and to limit use of the property to activities consistent with public open  
21 space and recreational purposes and "in accordance with the requirements and limitations set forth  
22 in County of Los Angeles Proposition A." The Unocal Declaration of Restricted Use provides a  
23 limited list of uses that does not include activities that are part of the Oil Drilling Project.

24         30. Proposition A, the TPL Declaration/Easement, and the Unocal Declaration of  
25 Restricted Use provide that the Whittier Hills Property is to be preserved in perpetuity by Whittier  
26 for the benefit of the public, thereby creating a public trust and making the entire Whittier Hills  
27 Property subject to the Public Trust Doctrine. A public trust is created when property is held by a  
28 public entity for the benefit of the general public. The Whittier Hills Property was purchased by

1 Whittier using public funds, subject to the TPL Declaration/Easement and the Unocal Declaration  
2 of Restricted Use, and is held by Whittier for the benefit of the public. As a result, the Whittier  
3 Hills Property is subject to the Public Trust Doctrine.

4 31. In April 1996, Whittier's City Manager wrote a letter to the District regarding the  
5 Whittier Hills Property and stated that Whittier will use the property acquired with Proposition A  
6 grant monies "only for the purpose for which the grant monies were requested from said District  
7 and Conservancy and will not permit any other use of the area, except as allowed by specific act of  
8 the County Board of Supervisors as governing Board of the District[.]"

9 32. Without the approval of the District, Whittier adopted a resolution of intent to lease  
10 the Whittier Hills Property for production of oil, gas and other hydrocarbons ("Resolution of Intent  
11 to Lease"). The Resolution of Intent to Lease specifically informed prospective bidders that the  
12 Whittier Hills Property was subject to Proposition A and required a release of protected status  
13 from the District. Whittier's staff report describing the Resolution of Intent to Lease to Whittier's  
14 City Council states that Whittier's purchase of the land to be leased was funded by a grant of  
15 Proposition A funds and that the conditions of this funding prevent Whittier from using the land  
16 for anything other than open space. The staff report further stated that the proposed lease includes  
17 a provision that Whittier must obtain a release from protected status from the District for the  
18 Whittier Hills Property prior to the Oil Drilling Project moving forward.

19 33. Without the approval of the District, on October 28, 2008, Whittier entered into an  
20 oil, gas and mineral lease with Matrix and CWEI (the "Lease") to allow oil and gas exploring,  
21 drilling, recovery, processing, and related activities on the Whittier Hills Property. The terms of  
22 the Lease specifically include the entire 1,280 acres that make up the Whittier Hills Property.  
23 Without the approval of the District, Whittier has twice amended the Lease. The Lease allows the  
24 drilling and operation of up to 60 wells, construction and operations of oil and gas processing  
25 facilities, associated pipelines, new and relocated roads, grading, destruction of a portion of the  
26 coastal sage scrub ecosystem on the Whittier Hills Property, and the permanent and temporary loss  
27 of the property acquired with Proposition A funds.

28

1           34.     Whittier's consultant and lobbyist Esther Feldman prepared a report for Whittier in  
2 July 2011 on the Oil Drilling Project in which she wrote that the Lease can only become operative  
3 if the District approves the Lease and releases the land acquired with Proposition A funds from  
4 protected status.

5           35.     Whittier prepared an environmental impact report ("EIR") for the Oil Drilling  
6 Project pursuant to the California Environmental Quality Act ("CEQA") and circulated the EIR for  
7 review and public comment. The EIR states in several sections that the conditions of Proposition  
8 A funding requires Whittier "to obtain the consent of the [District] for certain proposed uses or  
9 development of the land for anything other than open space and recreational use."

10          36.     In response to a comment letter on the EIR from the District, Whittier stated in the  
11 EIR that it "will not issue a conditional use permit until a release from protected area status is  
12 obtained from the [District]."

13          37.     In November 2011, the City certified the EIR and approved a conditional use  
14 permit for the Oil Drilling Project. The conditional use permit requires compliance with the  
15 "requirements of all Federal, State, County and local agencies as are applicable to the Oil Drilling  
16 Project." Proposition A is a County and local agency requirement that is applicable to the Oil  
17 Drilling Project.

18          38.     After certifying the EIR, which stated that Whittier would not issue a conditional  
19 use permit to Matrix until a release from protected area status is obtained from the District,  
20 Whittier then amended the Lease in May 2012 to remove this requirement. Whittier did not obtain  
21 the consent of the District prior to amending the Lease to remove this requirement. Whittier did  
22 not conduct any analysis pursuant to CEQA of its discretionary action to amend the Lease to  
23 remove the requirement to obtain a release from protected area status from the District.

24          39.     As recently as June 2012, Whittier entered into a contract with Esther Feldman &  
25 Associates for consulting services "related to securing approvals needed from the County of  
26 Los Angeles related to the City's mineral extraction project in the Puente Hills."

27          40.     On June 19, 2012, Whittier approved a document entitled "Amendment And Partial  
28 Release Of Declaration And Easement Of Restricted Use" (the "Amendment to TPL

1 Declaration/Easement") that allegedly released a portion of the 960 Acres of Open Space subject  
2 to the Lease from the covenants and restrictions set forth in the TPL Declaration/Easement. The  
3 Amendment to TPL Declaration/Easement was signed by Whittier and Chevron.

4 41. Whittier approved the Amendment to TPL Declaration/Easement without first  
5 conducting environmental review required by CEQA and without receiving the consent of the  
6 District or MRCA.

7 42. The Amendment to TPL Declaration/Easement would allow a change of use on the  
8 Whittier Hills Property. Pursuant to the Project Agreement, Whittier was required to submit the  
9 Amendment to TPL Declaration/Easement to the District for prior review and approval before  
10 entering into it.

11 43. Matrix provided Whittier with a payment of \$400,000 along with its bid application  
12 for the Lease. Pursuant to the Lease, Matrix has made additional rental and other payments to  
13 Whittier totaling several hundred thousand dollars. The District did not authorize these payments  
14 and these payments by Matrix to Whittier have not been spent by Whittier in strict compliance  
15 with Proposition A.

16 44. The County Cross-Complainants are informed and believe and on that basis allege  
17 that Whittier has deposited payments from Matrix pursuant to the Lease into Whittier's General  
18 Fund. The County Cross-Complainants are informed and believe and on that basis allege that  
19 Whittier has failed to ensure that proceeds it has received from Matrix pursuant to the Lease have  
20 been accounted for and spent in compliance with Proposition A and the Project Agreement.

21 45. Pursuant to the Lease, Matrix has made payments to the Habitat Authority. The  
22 District did not authorize these payments to the Habitat Authority and these payments have not  
23 been spent in strict compliance with Proposition A. The County Cross-Complainants are informed  
24 and believe and on that basis allege that Whittier and the Habitat Authority have failed to provide  
25 documentation to the District that payments to the Habitat Authority received from Matrix  
26 pursuant to the Lease have been accounted for and spent in compliance with Proposition A and the  
27 Project Agreement.

1           46.     A socioeconomic analysis of the Oil Drilling Project prepared for Whittier  
2 estimates that oil royalties paid to Whittier pursuant to the Lease are estimated to average between  
3 \$7.5 million and \$115.4 million per year.

4           47.     In August 2012, Whittier created a new subcommittee of its City Council called the  
5 "Mineral Extraction Financial Plan Subcommittee" charged with determining how payments from  
6 the Oil Drilling Project should be spent. The County Cross-Complainants are informed and  
7 believe and on that basis allege that Whittier officials have indicated an intention to use royalty  
8 proceeds for various purposes that would not be consistent with the requirements of Proposition A.

9           48.     In August 2012, Whittier entered into an agreement with the Habitat Authority  
10 pursuant to which Whittier has committed to paying the Habitat Authority 4% (four percent) of the  
11 royalty proceeds received each year by Whittier from the Oil Drilling Project, up to a maximum of  
12 two million dollars per year (hereinafter the "Royalty Agreement"). Whittier did not consult with  
13 the District before entering into the Royalty Agreement and the District has not consented to the  
14 Royalty Agreement. The terms of the Royalty Agreement allow the Habitat Authority to use the  
15 oil royalty proceeds from the Oil Drilling Project in violation of the requirements of Proposition  
16 A.

17           49.     While Whittier seeks to gain a windfall of millions of dollars in annual royalty  
18 payments from the Oil Drilling Project, it appears to be Whittier's position that a one-time  
19 payment of \$325,000 to the District is all that is required pursuant to Proposition A to allow the  
20 Oil Drilling Project to move forward. In fact, Whittier sent a check in the amount of \$325,000  
21 payable to the District that Whittier apparently asserts would satisfy all Proposition A  
22 requirements to allow the Oil Drilling Project to move forward. The District rejects this position  
23 and has returned the check to Whittier.

24           50.     In September 2012, Whittier filed a document in this case stating that it has no  
25 legal obligation to request or receive the District's consent for the Oil Drilling Project.

26           51.     The County Cross-Complainants are informed and believe and on that basis allege  
27 that Matrix and Whittier continue to take additional actions in furtherance of the Oil Drilling  
28 Project. Matrix has submitted grading plans and other documents to Whittier in recent weeks and

1 is preparing to commence work on the Oil Drilling Project on the Whittier Hills Property as early  
2 as November or December 2012. The first phase of the Oil Drilling Project involves grading and  
3 other physical changes to the Whittier Hills Property to accommodate the construction of test oil  
4 drilling wells.

5 52. Whittier has not received the consent of the District to allow such grading or any  
6 other activities in furtherance of the Oil Drilling Project on the Whittier Hills Property. Such  
7 grading and other activities in furtherance of the Oil Drilling Project are not uses allowed for by  
8 Proposition A, the Project Agreement, or the Unocal Declaration of Restricted Use. The District  
9 has not consented to any use of the Whittier Hills Property by Matrix for the Oil Drilling Project.

10 53. Whittier has engaged in, and continues to engage in, ongoing violations of  
11 Proposition A and the Project Agreement in relation to the Oil Drilling Project. Unless restrained  
12 by this Court, Whittier will continue to violate Proposition A and the Project Agreement.

13 54. The County Cross-Complainants have no adequate legal remedy in that damages, if  
14 awarded, will be inadequate to compensate for the detriment suffered by the County Cross-  
15 Complainants and the public if the Whittier Hills Property is used for the Oil Drilling Project in  
16 violation of Proposition A, the Project Agreement, and the Unocal Declaration of Restricted Use.

17 55. If the Oil Drilling Project is allowed to move forward, great and irreparable injury  
18 will occur, including irreparable harm to the open space, habitat and recreational qualities of the  
19 Whittier Hills Property which Whittier acquired with Proposition A funds and entered into the  
20 Project Agreement to protect. There are several significant and unavoidable environmental  
21 impacts that will be caused by the Oil Drilling Project including air quality impacts, dust impacts,  
22 greenhouse gas emissions, aesthetic impacts, hydrology and water quality impacts, land use and  
23 policy inconsistencies and incompatible land uses, and recreational impacts. The Whittier Hills  
24 Property is designated as "high sensitivity" open space by Whittier and serves as critical habitat  
25 for the federally threatened coastal California gnatcatcher and as habitat for numerous special  
26 status species. A study prepared by Matrix for the Oil Drilling Project indicates that drilling and  
27 operation of test wells could result in oil spills and such spills could substantially degrade  
28 groundwater, surface water, and the Whittier Hills Property. A large oil spill could spread

1 contamination to residential communities and storm drain facilities.

2           56.     Allowing Whittier to move forward with the Oil Drilling Project without obtaining  
3 the approval of the District will deny the public the advocacy of a public agency whose mission is  
4 to protect the open space, habitat and recreation uses of the Whittier Hills Property and other lands  
5 for the benefit of the public. Accordingly, the County Cross-Complainants lack an adequate  
6 remedy at law if Whittier is allowed to continue moving forward with the Oil Drilling Project.  
7 The County Cross-Complainants have no plain, speedy, or adequate remedy at law to challenge  
8 the actions of Whittier other than the relief sought in this action.

9           57.     The statutory authority authorizing the County to form the District is set forth in the  
10 Public Resources Code ("PRC"), including section 5506.9 which requires that all revenue  
11 generated by the District shall be allocated among all affected public agencies for the purpose of  
12 acquiring land for park, recreation, open space, and conservation purposes. PRC section 5539.9  
13 provides that all proceeds of Proposition A shall be allocated in accordance with PRC section  
14 5506.9(c)(5) and (8). PRC section 5539.9(h) requires that the Proposition A assessment be  
15 apportioned by a method that fairly distributes the net amount among all assessable lots or parcels  
16 in proportion to the benefits to be received from the improvements. The ballot language and  
17 arguments in support of Proposition A informed voters that the real property assessment to be  
18 created would benefit all real property owners in the County of Los Angeles who pay the  
19 assessment. The Proposition A ballot language specifically stated that its purpose was to benefit  
20 properties **throughout** the District.

21           58.     The repeated actions and statements of Whittier indicate a desire by Whittier to  
22 gain an unfair windfall from the Oil Drilling Project that could allow Whittier and property owners  
23 in the city to receive a greater benefit than other County property owners subject to the Proposition  
24 A assessment. Unless prevented by orders of this Court, Whittier will continue to take additional  
25 actions to allow proceeds from the Oil Drilling Project to be spent in contravention of Proposition  
26 A and the Project Agreement. Unless stopped by orders of this Court, Whittier's actions will result  
27 in property owners in Whittier receiving disproportionately larger benefits than County property  
28 owners living in other cities and unincorporated areas within the County.



59. The County Cross-Complainants bring this action as a "private attorney general," pursuant to California Code of Civil Procedure section 1021.5 because it will enforce important rights affecting the public interest, including, but not limited to, enforcement of Proposition A, fulfillment of the intent and will of the voters who approved Proposition A, the protection of the open space, habitat and recreation uses of the Whittier Hills Property for the public. The County Cross-Complainants' expenditure of costs to prosecute this proceeding will confer a significant benefit on the general public by protecting the environment, preserving open space, enforcing the requirements of Proposition A, ensuring that Whittier property owners do not receive a disproportionate benefit from Proposition A, and fulfilling the will of the voters who voted for Proposition A. As a consequence, the County Cross-Complainants are entitled to an award of their attorneys' fees and costs for undertaking this action.

## JURISDICTION AND VENUE

60. The conduct that is the subject of this action occurred, and the property that is the subject of this action is located within this judicial district and the action is being brought within the Court in which Whittier and the County Cross-Complainants are located. In addition, the Court has jurisdiction over this action pursuant to sections 1085, 1094.5, and 187 of the Code of Civil Procedure and this action is subject to the provisions of sections 394 and 395 of the Code of Civil Procedure.

**FIRST CAUSE OF ACTION**

**[AGAINST CROSS-RESPONDENTS/DEFENDANTS WHITTIER AND DOES 1-25 FOR VIOLATIONS OF PROPOSITION A AND THE PUBLIC TRUST DOCTRINE]**

61. The County Cross-Complainants incorporate by reference the above-stated allegations in Paragraphs 1 through 60, inclusive, as though set forth in full.

62. Proposition A requires recipients of its funding to maintain and operate in perpetuity the property acquired with Proposition A funds. The Oil Drilling Project is fundamentally incompatible with Proposition A, the TPL Declaration/Easement, and the Unocal Declaration of Restricted Use.

1           63.     Whittier has a mandatory, non-delegable duty to comply with the requirements of  
2 Proposition A and the Public Trust Doctrine.

3           64.     Whittier has failed to comply with the requirements of Proposition A and the Public  
4 Trust Doctrine and has not proceeded in the manner required by Proposition A and the Public  
5 Trust Doctrine.

6           65.     Whittier accepted the deed for the Whittier Hills Property which contained the  
7 requirements of the TPL Declaration/Easement and the Unocal Declaration of Restricted Use. The  
8 requirements of the TPL Declaration/Easement and Unocal Declaration of Restricted Use can be  
9 enforced by the County Cross-Complainants pursuant to the Public Trust Doctrine.

10          66.     The Oil Drilling Project is not a use that is allowed under the Unocal Declaration of  
11 Restricted Use. Whittier must comply with the terms of the Unocal Declaration of Restricted Use.  
12 The Lease allows uses that are not permitted under the Unocal Declaration of Restricted Use.

13          67.     Whittier cannot eliminate the TPL Declaration/Easement and corresponding  
14 environmental protections it provides to the Whittier Hills Property in violation of the Public Trust  
15 Doctrine and Proposition A.

16          68.     Whittier should be ordered to void its approval of the Amendment to TPL  
17 Declaration/Easement as said approval violates the Public Trust Doctrine, Proposition A, and the  
18 terms of the TPL Declaration/Easement which requires the MRCA's consent to such an action.

19          69.     Assuming that the approval of the Amendment to TPL Declaration/Easement is  
20 voided by this Court as requested herein, the use restrictions of the TPL Declaration/Easement  
21 would remain in effect and would prevent the Oil Drilling Project.

22          70.     An order from this Court is necessary to declare and order the following:

23                 (1)     That the Whittier Hills Property was purchased with Proposition A funds  
24 and acquired subject to the TPL Declaration/Easement and Unocal Declaration of Restricted Use  
25 thereby creating a public trust;

26                 (2)     That Whittier has a mandatory duty to comply with the requirements of  
27 Proposition A and the Public Trust Doctrine and to not allow any use of the Whittier Hills  
28 Property that is inconsistent with Proposition A, the Public Trust Doctrine, the TPL

1 Declaration/Easement and the Unocal Declaration of Restricted Use;

2 (3) That the Oil Drilling Project is incompatible with Proposition A, the Public  
3 Trust Doctrine, the TPL Declaration/Easement and the Unocal Declaration of Restricted Use; and

4 (4) That the Lease be declared null and void in violation of Proposition A, the  
5 Public Trust Doctrine, the TPL Declaration/Easement and the Unocal Declaration of Restricted  
6 Use.

7 71. Alternatively, Whittier cannot change the use of the Whittier Hills Property that it  
8 acquired with Proposition A funds without approval from the District and complies with other  
9 requirements in Proposition A for how the proceeds of such a change of use and disposition must  
10 be allocated and spent. Whittier has previously acknowledged this requirement and the need to  
11 obtain the approval of the District for the Oil Drilling Project. However, Whittier has not obtained  
12 approval for the Oil Drilling Project, the Lease, or the conditional use permit from the District.

13 72. The Oil Drilling Project constitutes a change of use of the Whittier Hills Property  
14 that deviates from Proposition A, Whittier's grant application, the Project Agreement, the  
15 Procedural Guide, and the Public Trust Doctrine. The Oil Drilling Project would allow a private  
16 party to have exclusive use of a portion of the Whittier Hills Property in violation of Proposition A  
17 and the Project Agreement. The Oil Drilling Project will impair the public's right to utilize the  
18 Whittier Hills Property and reduce the open space and habitat protection benefits of the Whittier  
19 Hills Property.

20 73. Proposition A funds were used to purchase the Whittier Hills Property and the  
21 property purchased with those Proposition A funds includes the oil, gas, and other mineral rights.  
22 The Lease is for the entire Whittier Hills Property and its associated oil, gas and other  
23 hydrocarbons and thus constitutes a disposition of the entire Whittier Hills Property acquired by  
24 Whittier. Accordingly, Whittier must utilize all proceeds, including rental payments and royalties  
25 from oil and gas exploration, from the Lease consistent with the requirements of Proposition A.

26 74. Whittier has admitted that it must dispose of a portion of the Whittier Hills  
27 Property in order to facilitate the Oil Drilling Project. The proceeds of the disposition of the  
28 Whittier Hills Property include all of the lease and royalty payments provided for in the Lease as a

1 result of the Oil Drilling Project. All rent payments, royalty payments, and other proceeds of the  
2 Oil Drilling Project are therefore subject to Proposition A and must be used in compliance with  
3 Proposition A and the Public Trust Doctrine.

4 75. Proposition A requires that any oil royalties or payments received by Whittier for  
5 activities on the Whittier Hills Property be expended pursuant to the requirements of Proposition  
6 A. In August 2012, Whittier entered into the Royalty Agreement with the Habitat Authority. The  
7 terms of the Royalty Agreement allow the Habitat Authority to use a portion of the royalty  
8 proceeds from the lease of the Whittier Hills Property for uses that are not consistent with the  
9 requirements of Proposition A. All proceeds of the Oil Drilling Project paid to Whittier or the  
10 Habitat Authority pursuant to the Lease or any other agreement, must be used in a manner  
11 consistent with Proposition A, or provided to the District's Park Fund to be used consistent with  
12 Proposition A. The Royalty Agreement fails to comply with Proposition A.

13 76. The District has the right to ensure that, as required by Proposition A, the royalty  
14 proceeds are used at the Whittier Hills Property for open space or recreational purposes, unless the  
15 District specifically approves otherwise.

16 77. Whittier has failed to perform its mandatory duty to comply with the requirements  
17 of Proposition A by entering into the Royalty Agreement which allows proceeds from a change of  
18 use at the Whittier Hills Property to be used in a manner inconsistent with Proposition A.

19 78. An order from this Court is necessary to declare and order the following:

20 (1) That the Oil Drilling Project constitutes a change of use of the Whittier  
21 Hills Property and a disposal of the Whittier Hills Property and that the Oil Drilling Project cannot  
22 move forward without the prior approval of the District;

23 (2) That Whittier is not entitled to use any rental payments, royalties, or other  
24 proceeds generated by the Oil Drilling Project in a manner inconsistent with Proposition A and the  
25 Public Trust Doctrine;

26 (3) That the actions taken by Whittier in entering into and amending the Lease  
27 violate Proposition A and a writ should issue from this Court mandating Whittier to stop all  
28 actions in furtherance of the Lease unless and until Whittier complies with Proposition A; and

(4) That the actions taken by Whittier in entering into the Royalty Agreement with the Habitat Authority violate Proposition A and a writ should issue from this Court requiring Whittier to take action to render the Royalty Agreement null and void unless and until Whittier complies with Proposition A.

## SECOND CAUSE OF ACTION

**[AGAINST CROSS-RESPONDENTS/DEFENDANTS WHITTIER AND DOES 1-25 FOR BREACH OF CONTRACT AND SPECIFIC PERFORMANCE FOR BREACHING THE PROJECT AGREEMENT]**

79. The County Cross-Complainants incorporate by reference the above-stated allegations in Paragraphs 1 through 78, inclusive, as though set forth in full.

80. Whittier has breached the Project Agreement by failing to obtain the approval of the District and the Board of Supervisors prior to entering into the Lease, and prior to twice amending the Lease.

81. Whittier has breached the Project Agreement by entering into the Lease which allows uses inconsistent with the requirements of the Project Agreement and the project description and assurances contained in Whittier's application for a Proposition A grant.

82. Whittier has breached the Project Agreement by agreeing to the Oil Drilling Project which allows a private party to have exclusive use of a portion of the Whittier Hills Property.

83. Whittier has breached the Project Agreement by failing to obtain the approval of the District prior to entering in the Royalty Agreement with the Habitat Authority.

84. Whittier has breached the Project Agreement by entering into the Royalty Agreement containing terms contrary to the Project Agreement. The Project Agreement requires that any oil royalties or payments received by Whittier for activities on the Whittier Hills Property be expended pursuant to specific requirements set forth in the Project Agreement. The terms of the Royalty Agreement allow the Habitat Authority to use a portion of the royalty proceeds from the lease of the Whittier Hills Property for uses that are not consistent with the requirements of Proposition A. All proceeds of the Oil Drilling Project paid to Whittier or the Habitat Authority pursuant to the Lease or any other agreement, must be used in a manner consistent with the Project

1 Agreement, or provided to the District's Park Fund to be used consistent with Proposition A. The  
2 Royalty Agreement fails to comply with the Project Agreement and the Procedural Guide.

3 85. Whittier has breached the Project Agreement by failing to use payments from  
4 Matrix pursuant to the Lease in compliance with the requirements of the Project Agreement.

5 86. Whittier has breached the Project Agreement by failing to require that all proceeds,  
6 including royalties, from the Oil Drilling Project are used in compliance with the requirements of  
7 Proposition A.

8 87. Whittier has breached the Project Agreement by failing to comply with the  
9 requirements of the Procedural Guide.

10 88. The County Cross-Complainants seek an order from this Court declaring that  
11 Whittier has breached the Project Agreement and Procedural Guide as set forth above.

12 89. The Project Agreement explicitly provides for the remedy of specific performance.  
13 Here, an award of damages for Whittier's breach of the Project Agreement would not be an  
14 adequate remedy.

15 90. The County Cross-Complainants seek injunctive relief from this Court requiring  
16 Whittier to specifically perform the terms of the Project Agreement including, but not limited to,  
17 obtaining the District's approval for any leases, contracts, or other agreements providing for a  
18 change of use and/or disposal of the Whittier Hills Property in furtherance of the Oil Drilling  
19 Project. Alternatively, if for any reason specific performance is not able to remedy Whittier's  
20 breach of the Project Agreement, the County Cross-Complainants seek damages, according to  
21 proof.

22 91. Alternatively, the County Cross-Complainants seek injunctive relief to prevent  
23 Whittier from breaching the Project Agreement by committing any of the actions outlined above in  
24 furtherance of the Oil Drilling Project.

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**THIRD CAUSE OF ACTION**

**[VIOLATIONS OF CEQA AGAINST CROSS-RESPONDENTS/DEFENDANTS  
WHITTIER AND DOES 1-25 FOR AMENDING THE LEASE AND FOR AMENDING  
THE TPL DECLARATION/EASEMENT WITHOUT FIRST CONDUCTING CEQA  
REVIEW]**

92. The County Cross-Complainants incorporate by reference the above-stated allegations in Paragraphs 1 through 91, inclusive, as though set forth in full.

**The Lease Amendment Approval**

93. Whittier has violated CEQA, PRC sections 21000-21177, by amending the Lease on May 8, 2012 to eliminate the requirement that the District must approve the Oil Drilling Project.

94. On May 8, 2012, the Whittier City Council exercised its discretion to amend the Lease to change section 6.1 to eliminate the provisions in the Lease that require a release from protected area status from the District to allow the Oil Drilling Project to begin (hereinafter the "Whittier Lease Amendment"). Whittier had previously informed the public during the EIR process, and in the EIR, that the Oil Drilling Project required the approval of the District and that the Whittier Hills Property would need to be released from protected status by the District to allow the Oil Drilling Project to proceed. In response to a comment letter on the EIR from the District, Whittier stated that it needs to obtain a release from protected area status for the Whittier Hills Property from the District.

95. The project description in the EIR stated that the conditions of Proposition A funding require Whittier to obtain the consent of the District for uses other than open space or recreational use. The EIR relied on the requirement that the District had to release the property from protected status and approve the project in order to find the project consistent with Whittier's Land Use policies. Eliminating the requirement to obtain the District's consent undermines the project description in the EIR and eliminates the basis of the EIR's land use consistency findings. The Whittier Lease Amendment allows Matrix to enter the Whittier Hills Property to conduct activities pursuant to the Oil Drilling Project that will physically alter the open space without complying with the requirements of Proposition A.

1           96.     CEQA applies to discretionary projects approved by public agencies. PRC section  
2 21080. A project includes an activity that involves the issuance of a lease by a public agency.  
3 PRC section 21065. The Whittier Lease Amendment is a discretionary project subject to CEQA.

4           97.     Whittier did not give the District notice, nor did Whittier obtain the District's  
5 approval prior to taking action to approve the Whittier Lease Amendment to eliminate the  
6 requirement for the District's approval.

7           98.     Prior to Whittier taking action to approve the Whittier Lease Amendment, the  
8 Conservancy and MRCA sent letters to Whittier stating that such action violated Proposition A  
9 and CEQA.

10          99.     Whittier did not make any CEQA findings when it took the discretionary action to  
11 approve the Whittier Lease Amendment and to eliminate the requirement that the District's  
12 consent was necessary for the Oil Drilling Project. Whittier was required to comply with CEQA  
13 and to perform an environmental review prior to approving the Whittier Lease Amendment.

14          100.    Whittier did not prepare a notice of exemption from CEQA when it took the  
15 discretionary action to approve the Whittier Lease Amendment and sought to amend the Lease to  
16 eliminate the requirement that the District's consent was necessary for the Oil Drilling Project.

17          101.    Whittier did not prepare an initial study pursuant to CEQA prior to its discretionary  
18 decision to approve the Whittier Lease Amendment and sought to amend the Lease to eliminate  
19 the requirement that the District's consent was necessary for the Oil Drilling Project.

20          102.    Whittier did not prepare an addendum to the EIR, nor a subsequent or supplemental  
21 EIR when it took the discretionary action to approve the Whittier Lease Amendment and sought to  
22 amend the Lease to eliminate the requirement that the District's consent was necessary for the Oil  
23 Drilling Project.

24          103.    As Whittier did not prepare a notice of exemption or conduct any CEQA review  
25 prior to its approval of the Whittier Lease Amendment, this action is timely filed in compliance  
26 with PRC section 21167(a) within 180 days after Whittier's May 8, 2012, approval that is being  
27 challenged.



1           104. As Whittier did not proceed in the manner required by law by failing to comply  
2 with CEQA prior to approving the Whittier Lease Amendment, a writ of mandate should issue  
3 requiring Whittier to vacate, set aside, and rescind its amendment of the Lease and to comply with  
4 CEQA.

5           **The Approval of the TPL Declaration/ Easement Amendment**

6           105. The Oil Drilling Project will occur on a portion of land included within the 960  
7 Acres of Open Space.

8           106. The TPL Declaration/Easement was intended to "preserve, enhance, and protect in  
9 perpetuity the conservation values of the [960 Acres of Open Space] for the benefit of this  
10 generation and the generations to come."

11          107. The activities included in the Oil Drilling Project are fundamentally incompatible  
12 and with inconsistent with the TPL Declaration/Easement.

13          108. Whittier has violated CEQA by taking action on June 19, 2012 to approve the  
14 Amendment to TPL Declaration/Easement that seeks to release a portion of the 960 Acres of Open  
15 Space subject to the Lease from the protections contained in the TPL Declaration/Easement.

16          109. The approval of the Amendment to TPL Declaration/Easement constitutes a project  
17 under CEQA. Whittier's action to approve the Amendment to TPL Declaration/Easement was  
18 designed to release those portions of the land upon which the Oil Drilling Project will be  
19 undertaken from the terms of the TPL Declaration/Easement. Without the Amendment to TPL  
20 Declaration/Easement, the Oil Drilling Project could not take place as proposed because it would  
21 violate the TPL Declaration/Easement. The approval of the Amendment to TPL  
22 Declaration/Easement will thus result in a physical change to the environment.

23          110. The Amendment to TPL Declaration/Easement commits Whittier to making  
24 reasonable efforts to assist Chevron in obtaining credits from the U.S. Fish and Wildlife Service,  
25 or other appropriate agency, for habitat conservation based on the creation of a conservation  
26 easement on the 960 Acres of Open Space acquired by Whittier with Proposition A funds which  
27 can be used for development at other sites. As the 960 Acres of Open Space were acquired with  
28

1 Proposition A funds to be preserved as open space, it is inappropriate for Whittier to allow  
2 Chevron to gain development credits for a future conservation easement on that same land.

3 111. Whittier took discretionary action to approve the Amendment to TPL  
4 Declaration/Easement without consulting with or obtaining MRCA's approval despite the fact that  
5 MRCA is a named Grantee in the TPL Declaration/Easement having approval rights.

6 112. Whittier did not make any CEQA findings when it took the discretionary action to  
7 approve the Amendment to TPL Declaration/Easement. Whittier was required to comply with  
8 CEQA and conduct environmental review prior to approving the Amendment to TPL  
9 Declaration/Easement.

10 113. Whittier did not prepare a notice of exemption for the Lease amendment when it  
11 exercised its discretion to approve the Amendment to TPL Declaration/Easement.

12 114. Whittier did not prepare an addendum to the EIR when it exercised its discretion to  
13 approve the Amendment to TPL Declaration/Easement.

14 115. Whittier did not prepare a subsequent or supplemental EIR prior to exercising its  
15 discretion to approve the Amendment to TPL Declaration/Easement.

16 116. As Whittier did not prepare a notice of exemption or conduct any CEQA review  
17 prior to exercising its discretion to approve the Amendment to TPL Declaration/Easement, this  
18 cause of action is timely filed prior to 180 days after Whittier's June 19, 2012 approval that is  
19 being challenged.

20 117. As Whittier did not proceed in the manner required by law by failing to comply  
21 with CEQA prior to exercising its discretion to approve the Amendment to TPL  
22 Declaration/Easement, a writ of mandate should issue requiring Whittier to vacate, set aside, and  
23 rescind its approval of the Amendment to TPL Declaration/Easement unless and until Whittier  
24 complies with CEQA.

25 118. The County Cross-Complainants have provided notice to Whittier of this cause of  
26 action pursuant to PRC section 21167.5 by sending a Notice of Commencement of this Action to  
27 Whittier prior to filing this Cross-Complaint, a copy of which is attached hereto as Exhibit A.  
28

1           119. The County Cross-Complainants have complied with the requirements of  
2 California Code of Civil Procedure section 388 by sending a copy of this Cross-Complaint to the  
3 Attorney General.

4                                   **FOURTH CAUSE OF ACTION**

5           **[AGAINST CROSS-RESPONDENTS/DEFENDANTS WHITTIER AND DOES 1-25 FOR**  
6                                   **DECLARATORY AND INJUNCTIVE RELIEF]**

7           120. The County Cross-Complainants incorporate by reference the above-stated  
8 allegations in Paragraphs 1 through 119, inclusive, as though set forth in full.

9           121. An actual controversy has arisen and now exists between the County Cross-  
10 Complainants and Whittier with respect to the various issues surrounding the Oil Drilling Project,  
11 including, but not limited to, the following: (1) whether Whittier can approve, authorize, and  
12 move forward with the Oil Drilling Project in violation of the requirements of Proposition A and  
13 the Public Trust Doctrine; (2) whether Whittier must obtain approval from the District to change  
14 the use of the Whittier Hills Property to allow the Oil Drilling Project; (3) whether Whittier  
15 violated Proposition A and the Project Agreement by entering into, and amending, the Lease  
16 without the District's approval; (4) that Whittier's proposed payment of \$325,000 to the District  
17 does not constitute compliance with Proposition A in regards to the Oil Drilling Project; (5)  
18 whether Whittier and the Habitat Authority can use the proceeds arising from the Oil Drilling  
19 Project in a manner inconsistent with Proposition A, the Project Agreement, and the Public Trust  
20 Doctrine; (6) whether Whittier has violated CEQA by approving the Whittier Lease Amendment  
21 on May 8, 2012 without first conducting any CEQA review; (7) whether Whittier has violated  
22 CEQA by taking action on June 19, 2012 to approve the Amendment to TPL  
23 Declaration/Easement without first conducting CEQA review; (8) whether Whittier violated  
24 Proposition A and the Project Agreement by approving the Amendment to TPL  
25 Declaration/Easement; and (9) whether the Oil Drilling Project violates the Unocal Declaration of  
26 Restricted Use and the TPL Declaration/Easement.

27           122. Whittier disputes the contentions of the County Cross-Complainants as alleged  
28 above. By reason of the foregoing, the County Cross-Complainants seek a judicial determination

1 declaring the rights of the parties in order to determine the legality of Whittier's actions in  
2 furtherance of the Oil Drilling Project vis a vis Proposition A, the Project Agreement, the  
3 Procedural Guide, the Public Trust Doctrine, the TPL Declaration/Easement, the Unocal  
4 Declaration of Restricted Use, the District/Conservancy Project Agreement, and CEQA.

5 123. A judicial declaration and injunctive relief are necessary and appropriate at this  
6 time to remedy the violations of law alleged herein and to: (1) protect the Whittier Hills Property;  
7 (2) ensure the use of the Whittier Hills Property complies with Proposition A, the Project  
8 Agreement, the Procedural Guide, the Unocal Declaration of Restricted Use, and the Public Trust  
9 Doctrine; (3) require that Whittier first seek and receive approval from the District prior to  
10 moving forward with the Oil Drilling Project; (4) require that any proceeds from the Lease and the  
11 Oil Drilling Project comply with the requirements of Proposition A and the Project Agreement;  
12 and (5) ensure that Whittier does not obtain a financial windfall from the Oil Drilling Project in  
13 violation of the requirements of Proposition A, the Project Agreement, and the Public Trust  
14 Doctrine.

#### 15 PRAYER FOR RELIEF

16 The County Cross-Complainants pray for judgment and relief against as follows:

17 1. For a declaration that the Whittier Hills Property was purchased by Proposition A  
18 funds and cannot be converted in whole or in part to a use inconsistent with Proposition A.

19 2. For a declaration that the Whittier Hills Property is being held in trust for the public  
20 and must be used in a manner consistent with the Public Trust Doctrine.

21 3. For a declaration that the actions taken by Whittier in entering into and amending  
22 the Lease are null and void as they violate Proposition A, the Project Agreement, and the Unocal  
23 Declaration of Restricted Use.

24 4. Alternatively, for a declaration that any change of use or disposal of the Whittier  
25 Hills Property, or any portion thereof, cannot be made without the prior approval of the District  
26 and must not be inconsistent with Proposition A or the Public Trust Doctrine.

27 5. For an order requiring Whittier to obtain the District's approval prior to granting  
28 any further approvals for the Oil Drilling Project, prior to allowing any entry by Matrix onto the

1 Whittier Hills Property to conduct activities in furtherance of the Oil Drilling Project, and prior to  
2 allowing any change of use of the Whittier Hills Property.

3 6. For a declaration and order that Whittier is not entitled to spend rental income,  
4 royalties, or other proceeds from the Lease and Oil Drilling Project in a manner that violates  
5 Proposition A and the Project Agreement, or is inconsistent with the Public Trust Doctrine.

6 7. For an order declaring that Whittier has violated Proposition A and the Project  
7 Agreement, the Public Trust Doctrine, the Unocal Declaration of Restricted Use, and CEQA as set  
8 forth herein.

9 8. For a temporary restraining order and preliminary and permanent injunctions  
10 restraining Whittier from taking any further action to approve or otherwise allow the Oil Drilling  
11 Project to impact the Whittier Hills Property pending and following trial.

12 9. For a temporary restraining order and preliminary and permanent injunctions  
13 requiring Whittier to seek approval from the District prior to allowing any physical change on the  
14 Whittier Hills Property in furtherance of the Oil Drilling Project or any other change of use of the  
15 Whittier Hills Property.

16 10. For a temporary restraining order and preliminary and permanent injunctions  
17 requiring Whittier to comply with the Unocal Declaration of Restricted Use and to specifically  
18 perform its obligations under the Project Agreement.

19 11. For alternative and peremptory writs directing Whittier to:

20 a. Void its approval of the Lease as it violates Proposition A;

21 b. Suspend and refrain from any and all activity to further approve or  
22 otherwise allow the Oil Drilling Project without complying with Proposition A and without first  
23 obtaining the District's approval;

24 c. Void its approval on May 8, 2012 of the Whittier Lease Amendment unless  
25 and until it complies with CEQA;

26 d. Void its June 19, 2012 action to approve the Amendment to TPL  
27 Declaration/Easement unless and until it complies with CEQA and unless and until it obtains the  
28 consent of the MRCA and complies with the Public Trust Doctrine;

1 e. Void the Royalty Agreement with the Habitat Authority unless and until  
2 Whittier complies with Proposition A; and

3 f. To account for and spend all rental income, royalty payments, and other  
4 proceeds of the Lease and Oil Drilling Project in strict accordance with the requirements of  
5 Proposition A.

6 12. For declaratory and injunctive relief as requested herein.

7 13. For damages, according to proof on the breach of contract cause of action.

8 14. For an award of attorneys' fees pursuant to California Code of Civil Procedure  
9 section 1021.5 and California Government Code section 800.

10 15. For an award of prejudgment interest.

11 16. For an award of the County Cross-Complainants' costs of suit.

12 17. For other relief as this honorable Court deems proper and just.

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14 DATED: October 25, 2012

Respectfully submitted,

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JOHN F. KRATTLI  
County Counsel

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By

  
SCOTT KUHN  
Senior Deputy County Counsel

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Attorneys for Cross-Complainants/Respondents and  
Respondents/Defendants LOS ANGELES COUNTY  
REGIONAL PARK AND OPEN SPACE DISTRICT;  
COUNTY OF LOS ANGELES; LOS ANGELES  
COUNTY BOARD OF SUPERVISORS